

**ROBERT L. COWLES**  
Wisconsin State Senator • 2nd Senate District

TO: Senate Committee on Environment and Natural Resources  
FROM: Senator Robert Cowles  
DATE: May 23, 2007  
RE: Senate Bill 119

Dear Chairperson Miller and Members of the Committee:

I am writing today to encourage you to support Senate Bill 119, relating to the regulation of ocean-going ships that discharge ballast water in the Great Lakes. I am pleased to join Senator Wirch and Representative Nygren in offering this bill to address an important issue.

Aquatic invasive species are a tremendous threat to the Great Lakes and to inland lakes here in Wisconsin. Ballast water discharges from ocean-going vessels are the number one contributor to the spread of aquatic invasive species in the Great Lakes. Currently, there are 185 different invasive species in the Great Lakes, and a new one is discovered every six months, on average. The cost to Wisconsin's economy due to these invaders is tremendous. Studies show that invasive species cost the Great Lakes region billions of dollars every year.

Viral hemorrhagic septicemia (VHS), a dangerous fish-killing virus, was recently discovered in inland lakes in Wisconsin, after first being discovered in the Great Lakes in 2005. VHS and other aquatic nuisances threaten to destroy some of the most popular sport-fishing species in Wisconsin lakes, which would be a terrible blow to our economy. It's very possible that VHS was introduced to the Great Lakes through the discharge of contaminated ballast water.

The problem of invasive species in the Great Lakes really requires a solution by the federal government, but unfortunately, they have failed to act on this important issue. Every day that passes without action, the costs to control these invasive species worsens. Lack of action by the federal government has forced Great Lakes states like Michigan and Wisconsin to take the lead on this issue, but ultimately, the federal government and the shipping industry will have to form a partnership to develop and implement technology to decontaminate ballast water before it is discharged into the Great Lakes.

I would like to thank Senator Wirch and Representative Nygren for their excellent work on this important issue, and I would also like to thank Chairperson Miller and the other members of the Committee for your consideration of this important issue.

Sincerely,

  
ROBERT L. COWLES



1200 Port Terminal Drive  
Duluth, Minnesota 55802-2609 U.S.A.  
218-727-8525 ■ Fax 218-727-6888  
E-Mail: [admin@duluthport.com](mailto:admin@duluthport.com) ■ [www.duluthport.com](http://www.duluthport.com)

WRITTEN TESTIMONY OF  
**ADOLPH N. OJARD**  
PRESIDENT, AMERICAN GREAT LAKES PORTS ASSOCIATION  
EXECUTIVE DIRECTOR, DULUTH SEAWAY PORT AUTHORITY  
1200 Port Terminal Drive  
Duluth, MN 55802-2609  
218-727-8525

BEFORE THE  
The Wisconsin Senate Committee on Environment and Natural Resources USE  
May 23, 2007

**"The Impact of Aquatic Invasive Species  
on the Great Lakes"**

Mr. Chairman, members of the committee, I am Adolph Ojard, Executive Director of the Duluth Seaway Port Authority in Duluth, Minnesota and President of the American Great Lakes Ports Association. Our organization represents the 12 public port authorities on the U.S. side of the Great Lakes. While I am providing written testimony specifically on behalf of the Great Lakes port community, I can assure you that the views I express today are shared by the majority of private maritime interests in the Great Lakes-St. Lawrence Seaway system.

I want to thank you and the committee for your leadership and your willingness to hold this hearing in such a timely manner at the beginning of the 110th Congress. Although today's hearing focuses on SB 119, Aquatic invasive species is both a national and international issue. – Currently 70 ballast water treatment systems are being developed world wide – it is a billion dollar market.


Fred L. Shusterich  
President

Superior Midwest Energy Terminal  
P.O. Box 787, West Winter Street, Superior, WI 54880  
Tel: 715.392.9807 Fax: 715.392.9187  
E-Mail: fshusterich@midwestenergy.com

**Midwest Energy  
Resources**



TO: Members,  
Senate Committee on Environment and Natural Resources

FROM: Fred Shusterich   
President, Midwest Energy Resources Company

DATE: May 23, 2007

RE: Opposition to Senate Bill 119

I am writing to express my opposition to Senate Bill 119 which aims to establish a state permitting and management process for the purpose of regulating the ballast water of ocean going vessels that visit Wisconsin ports.

Midwest Energy Resources Company (MERC) is the largest coal handling facility in North America. Each year, our Superior, Wisconsin terminal handles over 20 millions tons of low sulfur, western coal both for our parent company, Detroit Edison, as well as for sixteen other customers situated in the Great lakes basin and Canadian Maritimes. The coal arrives at our facility by rail and is shipped to points east by vessel. Midwest Energy employs 89 people in Superior and pays over \$1 million in Wisconsin occupational taxes.

Over the last five years MERC has sold and delivered by vessel coal to Nova Scotia Power (NSPI) and New Brunswick Power (NBP) in the Canadian Maritimes. Currently in combination we ship approximately 200,000 tons to these customers under spot and short term contracts. MERC is currently working to secure 3 year contracts with both of these customers. Total tonnage in combination for these two customers could approach 1.0 million tons annually. SB119, if enacted, would seriously jeopardize our business growth potential with both NSPI and NBP.

I realize that aquatic invasive species are a problem and that something needs to be done, utilizing proven science to address this issue. Senate Bill 119 is not the answer. If passed, SB 119 will put Wisconsin industries and port communities at a competitive disadvantage and do nothing to address the issue of aquatic invasive species. What is needed, in order to effectively stop the introduction and spread of aquatic invasive species and protect Wisconsin industries and jobs, is legislation at the federal level that applies to all oceangoing vessels visiting Great Lakes and/or tidewater ports.

I appreciate the opportunity to express my opposition to SB 119. For additional information or if you have any questions, please do not hesitate to contact me at 715.395.3504.

FLS:kjl



WISCONSIN STATE DIVISION OF

# The Izaak Walton League of America

INCORPORATED

DEFENDERS OF SOIL, AIR, WOODS, WATERS AND WILDLIFE



Wisconsin Division  
Izaak Walton League of America  
811 4<sup>th</sup> St.  
Plover, WI 54467-2253  
April 26, 2007

Senator Mark Miller - Chair  
Committee on Environment and Natural Resources  
Room 409 South - State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882

Dear Senator Miller:

Enclosed is a resolution supporting the enactment of AB-86 and SB-119. This resolution was passed unanimously at annual meeting of the Wisconsin Division of the Izaak Walton League of America in Benton Wisconsin on April 14, 2007.

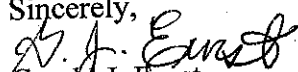
These bills relate to the management of vessel ballast water in Wisconsin's Great Lake Waters and would require all oceangoing vessels using ports in Wisconsin to obtain a permit from the DNR and be capable of treating ballast water to prevent the further introduction of invasive species.

This legislation is necessary because these alien organisms threaten the health of our waters and the recreational and commercial fishing industries that depend on them. In addition, invasions like the Zebra Mussel have cost our communities and industries millions of dollars to protect drinking water, utilities, and recreation facilities.

The Izaak Walton League is one of the oldest conservation organizations in the United States and we currently are celebrating our 85<sup>th</sup> anniversary. Our motto is "Defenders of soil, air, woods, waters and wildlife." We believe that this legislation is a vital step in protecting one of Wisconsin's most valuable resources, namely our Great Lakes and inland waters.

We urge your support of this important legislation and request fast action to move it out of committee.

Sincerely,



Gerald J. Ernst

President, Wisconsin Division



WISCONSIN STATE DIVISION OF

## The Izaak Walton League of America

INCORPORATED

DEFENDERS OF SOIL, AIR, WOODS, WATERS AND WILDLIFE



### Management of Ballast Water in Wisconsin's Great Lake Waters

The Great Lakes have been invaded by invasive (non-native) aquatic organisms and pathogens transported from foreign waters in oceangoing ships' ballast water. Over 160 non-native species have been introduced since the opening of the St. Lawrence Seaway in 1959. A new invasive species is identified in the Great Lakes every seven months according to a McGill University study. A University of Michigan study estimates that 1.5 billion gallons of foreign ballast water is discharged into the Great lakes annually.

The ballast water that harbors these invaders is used to stabilize ships when they are empty or partially loaded and is pumped in or out as needed. The average ship retains 42,000 gallons of ballast water and sludge when traveling the Great Lakes. Exotic organisms are flushed into the lakes as ships take on and discharge this ballast water in the course of their voyage.

Once introduced these foreign non-native organisms are expensive to control and almost impossible to eliminate. These invasive organisms threaten the sport and commercial fishing industries and force communities to spend millions to protect drinking water, power plants, and recreation facilities. To make matters worse, some of these organisms have also infected our inland waters.

On February 22, 2007 Assembly Bill 86 was introduced and on March 28, 2007 Senate Bill 119 was introduced in the Wisconsin Legislature. Both of these bills require operators of oceangoing vessels using ports in Wisconsin to get a permit from the Department of Natural Resources. To obtain the permit it must be demonstrated that the vessel is not capable of taking on ballast water or that the vessel is equipped with technology that the DNR determines can prevent the introduction of aquatic nuisance species into the Great Lakes. This legislation carries a fine of up to \$25,000 per day for violations.

Therefore be it resolved that the Wisconsin Division of the Izaak Walton League of America at their annual meeting in Benton Wisconsin on April 14, 2007 urge the Wisconsin Legislature and Governor to pass and enact AB-86 and SB-119 to manage ballast water in Wisconsin waters. Be it further resolved that copies of this resolution be mailed to the Assembly Committee on Natural Resources members, Senate committee on Environment and Natural Resources members, and Governor Doyle.

Membership Toll Free Number: (800) IKE-LINE (453-5463)

Website: [www.iwla.org](http://www.iwla.org)



41 Dock Street  
PO Box 518  
Superior, WI 54880

715-392-4734  
715-394-6926 Fax  
chsinc.com

TO: Members, Senate Committee on Environment and Natural Resources

FROM: Lance Helgeson, Terminal Manager, Cenex-Harvest States

DATE: May 23, 2007

RE: Opposition to Senate Bill 119

I am writing to express my opposition to Senate Bill 119, which aims to establish a state permitting and management process for the purpose of regulating the ballast water of ocean going vessels that visit Wisconsin ports.

Cenex-Harvest States (CHS) operates a grain elevator in Superior, Wisconsin. Grain arrives at the elevator from the Great Plains by truck and rail. Grain is loaded onto ocean going vessels to destinations throughout the world. On average, CHS loads 51 ocean going vessels per year. We employ 52 at our Superior facility.

It is of great concern that I noted in the "Fiscal Estimate" to SB 119 that according to the Wisconsin Department of Administration a minimum of 75% of the vessels that currently use the Port of Superior would opt to use the Port of Duluth should SB 119 pass. This would mean a loss of 38 vessels for CHS-Superior. This would have a devastating impact on our operations.

I realize that aquatic invasive species are a problem and that something needs to be done, utilizing proven science to address this issue. Senate Bill 119 is not the answer. If passed, SB 119 will put Wisconsin industries and port communities at a competitive disadvantage and do nothing to address the issue of aquatic invasive species. What is needed, in order to effectively stop the introduction and spread of aquatic invasive species and protect Wisconsin industries and jobs, is legislation at the federal level that applies to all oceangoing vessels visiting Great Lakes and/or tidewater ports.

I appreciate the opportunity to express my opposition to SB 119. For additional information or if you have any questions, please do not hesitate to contact me at 715.392.4734.

A handwritten signature in black ink, appearing to be "L. Helgeson", is located at the bottom left of the page.

**Memo**

## **WMC Testimony on Senate Bill 119 Ballast Water Regulation**

My name is Scott Manley, and I serve as the Environmental Policy Director for Wisconsin Manufacturers & Commerce. WMC is the state's largest business trade association, with over 4,000 members in the manufacturing, service, health care, energy and insurance sectors of our economy. Many WMC members serve a global market, and rely upon Great Lakes shipping as a means to deliver their goods to the global marketplace. As such, WMC members have a significant interest in Senate Bill 119.

I want to begin by commending all of the authors of this legislation for what we believe is a very well-intended proposal to address aquatic invasive species. WMC recognizes invasive species as a growing problem that deserves the attention of policymakers. However, we have concerns with the regulatory approach taken in this rule, and I'll address those concerns in a moment.

First, I want to take a moment to place commercial shipping into context. Each year, Wisconsin ports handle about 44 million tons of cargo, with an estimated value of \$7 billion. To put that into perspective, a typical container ship carrying 25,000 tons of cargo would require about 870 semi-trailer trucks to move the same amount of cargo. Waterway shipping is also very fuel efficient. A cargo ship can move one ton of cargo more than 500 miles on a gallon of fuel. By comparison, a railcar can move that same ton of cargo 200 miles on one gallon of fuel, and a diesel truck can move it 59 miles. Great Lakes shipping continues to be a cost-effective and efficient means to transport good and keep our economy afloat.

On the merits of state legislation to restrict ballast water discharges, WMC believes that because ships making port in Wisconsin must travel through multiple state jurisdictions before getting here, and because of the Interstate Commerce consideration attendant to any regulation of this sort, our organization believes that regulating ballast water of oceangoing vessels is better addressed by the United States Congress. A federal solution will result in uniform standards, better enforcement, regulatory clarity and certainty. Importantly, it will also result in a level playing field that prevents Wisconsin ports and businesses from being placed at a competitive disadvantage relative to other states. Congressman Jim Oberstar, the Chair of the House Transportation Committee from Minnesota, has made federal invasive species legislation a top priority. We believe there is growing support for federal legislative action, including support from Wisconsin's own Congressional delegation.

Beyond our belief that this issue should be addressed by Congress instead of the Wisconsin Legislature, WMC has a number of concerns



with Senate Bill 119. First, we are not aware of the successful deployment of technology on an oceangoing vessel that would meet the permit criteria established in the bill. In other words, we don't believe any shippers could qualify for a permit. The result would be a de facto ban on oceangoing shipping in the Great Lakes, which we know is not what the authors intended. We are aware of ongoing research and efforts to establish pilot programs to test the research and development of the technology that would allow shippers to meet the regulatory requirements of this bill. We would ask that this important work be given time to demonstrate success before implementation of a regulatory mandate. Rather than setting an arbitrary effective date in the bill, the regulatory requirement should be staged to coincide with the successful and cost-effective deployment of technology that enables shippers to comply with the bill.

In summary, we support a federal solution for the regulation of invasive species in ballast water as a means to protect the economic competitiveness of Wisconsin industry. In the absence of workable technology, adopting state-only rules like those proposed in Senate Bill 119 will severely constrain the ability of our manufacturers to transport their goods.

At a time when Wisconsin businesses are trying to increase their profile in the global marketplace, we ask the Committee to carefully consider the ramifications of this bill, and whether it would jeopardize our ability to use Great Lakes shipping as a safe, cost-effective and efficient means to ship products to the global market. WMC acknowledges that economic concerns must be weighed against legitimate environmental concerns. We appreciate that policymakers must undertake an important balancing act on this issue. However, we believe striking that difficult balance is more appropriately achieved through uniform, federal regulations as opposed to state-only legislation.

Thank you for your thoughtful consideration of this important issue.



## Wisconsin Economic Development Association Inc.

TO: Members, Senate Committee on Environment & Natural Resources

FROM: Andy Lisak, President and Jim Hough & Amy Boyer, on behalf of  
Wisconsin Economic Development Association

DATE: May 23, 2007

RE: **Opposition to Senate Bill 119**

The Wisconsin Economic Development Association (WEDA), a statewide association of over 400 private and public economic development professionals, business leaders and volunteers in economic development, respectfully urges opposition to Senate Bill 119.

Although aquatic invasive species are a problem, SB 119 does not solve the problem. **SB119 will put Wisconsin industries and port communities at a competitive disadvantage and will not accomplish the intended prevention of the introduction and spread of aquatic invasive species.**

The fiscal note prepared for the bill indicates that 75% of the ocean going vessels that would typically visit the Port of Superior would simply move across the harbor to the Port of Duluth if SB119 is passed.

WEDA supports action at the federal level that utilizes proven science. Federal action will prevent putting various states and their ports at a competitive disadvantage and is strongly supported over a patchwork of state laws that, while well intended, create winners and losers without solving the problem. WEDA members have actively lobbied members of the Wisconsin Congressional delegation to support federal legislation.

We thank you for your time and consideration and respectfully urge you opposition to SB 119.

**Testimony**  
**Before the Senate Committee on Environment and Natural Resources**  
**May 23, 2007**

Chairman Miller, Senator Jauch, Senator Wirsch, Senator Kedzie and Senator Schultz.

Good afternoon.

My name is Andy Lisak and I appear before you in two capacities. First I am the executive director of the Development Association, the lead economic development organization for Superior and Douglas County. In addition to representing the City of Superior and Douglas County, the Development Association represents over 150 private businesses.

This year, I also have the privilege of serving as the President of the Wisconsin Economic Development Association. WEDA is the leading voice for economic development in Wisconsin. WEDA has a membership consisting of over 400 economic development practitioners from throughout the state.

I appreciate the opportunity to share with you this afternoon the concerns of both my local community and the statewide economic development community concerning Senate Bill 119.

Like you, the people of Superior/Douglas County and Wisconsin's economic development community are concerned about the spread of invasive species and we appreciate your willingness to address this issue. However, we fear the unintended economic and human costs of SB 119 far outweigh any potential benefits the bill provides.

The State of Wisconsin imposing ballast water regulation will create chaos in the shipping industry and do nothing to stop the introduction and spread of aquatic invasive species.

This chaos will not only be felt by Wisconsin's port communities but also by almost every Wisconsin industrial sector. Based on the fiscal estimate prepared for SB119, a large percentage of ocean going vessels that would normally visit Wisconsin ports will simply go elsewhere should SB 119 be enacted. Wisconsin industries will be forced to shift to more costly and less environmentally friendly modes of transportation to receive raw materials and ship finished goods -modes of transportation that are already heavily burdened and in many cases operating at full capacity.

This will affect Wisconsin's manufacturing sector which utilizes the Port of Milwaukee to import steel and export high valued finished goods throughout the world. This will impact the pulp and paper industry which competes internationally and relies on the port of Green Bay to move pulp and finished paper. This will affect the grain farmers of southern Wisconsin who depend on the Midera Grain Elevator in Milwaukee.

In short by enacting ballast water regulation, the State of Wisconsin will at a minimum, erode one of its competitive advantages and more likely put our industries at a competitive disadvantage.

The negative, unintended consequences, of this bill will be most strongly felt by Wisconsin port communities. And of those communities, no one will suffer more than Superior.

Superior was founded over 150 years ago and was developed because of its transportation potential and capabilities. Our port shipped the lumber to build Chicago, shipped the iron ore and coal that was used to win World War II and shipped grain that fed the world.

Today, Superior along with its sister Port of Duluth, is the largest seasonal port in the world and the largest port on the Great Lakes/St. Lawrence Seaway System. Superior is home to the largest coal handling facility in North America-Midwest Energy. Midwest Energy ships coal used to generate electricity for a major portion of the eastern United States and Canada. The Burlington Northern Santa Fe receives nearly 10 million tons of taconite from the Iron Range of Minnesota and transfers it to vessels that take it to the steel mills of the United States and Canada. Last year, the BNSF loaded 5 ocean going vessels bound for Algeria. This was a first for Superior. You see, our companies compete at the international level and as the taconite to Algeria example illustrates the world is truly flat.

Our 4 grain elevators, these enormous structures that sit on our water front, ship over 2 million metric tons of wheat, oats flax and barley to destinations around the globe. These elevators compete not only with the other elevators located on the Great Lakes but with elevators located on the Gulf Coast (Galveston, New Orleans) and West Coast. These elevators and the workers employed by them will bear the heaviest burden should a state or regional law regulating ballast water be enacted.

Superior's shipping industry is very concerned about the economic costs of SB 119. Several members of the industry have submitted written testimony illustrating the financial impact the bill will have on their business.

It is interesting to note that the Fiscal Estimate prepared for SB 119, predicts that if the bill is enacted, 75% of the estimated 112 oceangoing vessels that would normally visit the Port of Superior, would stop doing so. These vessels would instead more than likely utilize facilities in Duluth, less than ½ mile away. Ballast water would continue to be discharged in the common waters of the Twin Ports. Superior and its shipping industry would suffer enormous costs without any environmental advantage being gained.

Cenex-Harvest States which operates one of the largest grain elevators in the world would lose 38 vessels. Peavey ConAgra which operate two elevators in Superior estimates that it would lose over one million dollars in business. The impact would be similar at General Mills. Superior would no longer ship taconite to Algeria and Superior's Midwest Energy would be unable to take advantage of international market opportunities.

Although our taconite and coal handling facilities would more than likely survive, how likely is it that given a substantial decrease in business our grain elevators will be able to continue to do business in Superior? With the closing of these elevators will come a significant decrease in Superior's tax base and the loss of a large number of jobs.

Those likely to lose their jobs include grain millers, stevedores, longshoremen, vessel agents, tug boat operators, state grain inspectors, railroad workers, truck drivers to name a few.

The jobs that will be lost are jobs that pay relatively high wages and provide benefits to employees and their families. These are jobs that pay above the state average wage, in a county whose average wage typically runs 20-25% below the

state average. As Senator Jauch knows, Superior has had to fight tooth and nail for every good paying job we have, the loss of even one of these jobs, without a corresponding benefit, would be terrible.

With us today are Shane Sweeney and Paul Freer, both members of Grain Millers Local 167G and employees of Cenex Harvest States. Local 167G represents over 100 grain elevator employees. Also with us is John Reed, President of Local 1037 of the International Longshoreman's Association. Local 1037 predicts that based on the fiscal estimate, its members will lose almost \$400,000 in wages and benefits in the first year if SB 119 is enacted.

The businesses and residents of Superior have had a history of making sacrifices to protect the environment. Superior is one of the largest cities in Wisconsin by land mass. Over half of our land is undeveloped-which one would think would provide us with a great asset in our efforts to spur economic development. Unfortunately 70% of that undeveloped land is considered wetlands-preventing its development. We understand the importance of wetlands and we bear the cost in order to protect our environment.

The City of Superior recently created a storm water utility. Our businesses and residents have been asked to incur a substantial financial cost to fund the utility in order to protect the waters of Lake Superiors for not only the residents of Superior but for all of those who enjoy its beauty. Again we pay that cost (even though reluctantly) because there is a proven environmental benefit.

SB 119 however, asks us to pay an enormous cost that will affect businesses and the lives of workers and families in Superior without providing any environmental benefit. Vessels that would normally visit Superior would simply move to Duluth,

and continue to discharge ballast water in our common harbor. SB119 will do nothing to stop the introduction and spread of aquatic invasive species.

However, I think we all agree that what is needed to address the issue of invasive species is for Washington to take action and pass legislation that will cover all ocean going vessels that call on any Great Lakes or tidewater port in the country. We welcome the opportunity to join with the Wisconsin legislature and members of the Wisconsin environmental community to take our message to Washington.

In fact those of us in the economic development and shipping community have already put our money where are mouths are. Late last month, I along with Wisconsin business and labor representatives visited the offices of every member of the Wisconsin Congressional delegation. Every member recognizes the importance of federal ballast water regulation. Many believe that with the recent change in Congress, this is the year for the passage of federal ballast water regulation.

As has already been noted, Congressman Obey has been a supporter of industry's efforts to address the issue of invasive species and ballast water. Because of him, over \$2 million dollars of funding was made available for the Great Ships Initiative at University of Wisconsin Superior. Wisconsin could take a constructive role by helping to fund this industry-federal government initiative.

The introduction of aquatic invasive species via ballast water is an important issue. However, SB 119 does not effectively address the issue and the unintended consequences of the bill are too great- the cost to Wisconsin's industries and port communities too large. Federal, not state, action is needed.



Once again thank you for giving me the opportunity to share my concerns.

BRUCE GROULX  
K & K INTEGRATED LOGISTICS  
Green Bay, Wisconsin & Marinette, Wisconsin

Testimony on Senate Bill 119 before the Wisconsin Senate Committee on Environment and Natural Resources. Wednesday May 23, 2007

Mr. Chairman and members of the committee, Good Morning! My name is Bruce Groulx and I thank you for the opportunity to speak to you today about our concerns regarding SB 119 (Ballast Water, reporting, treatment and penalties). I am the Director of Operations, and General Counsel for KK Integrated Logistics.

I am here today on behalf of our President, Mr. Tom Kuber to testify in opposition to this legislation. Don't get us wrong, as our company does indeed support the concept of dealing with the Aquatic Nuisance Species problem. However, we are opposed to the proposed legislation because this issue must be dealt with at the federal level- not the state level.

KK Integrated Logistics is a company that is over thirty years old, and has port operations based Marinette Wisconsin, two in Green Bay Wisconsin, and one in Menominee Michigan. Those four port operations also feed warehouses that we have in Oconto Wisconsin, Manitowoc Wisconsin, and Marinette Wisconsin. Much of our business is running a paper pulp terminal in the Green Bay and Menominee locations, as well as pig iron, lumber, aggregate, and contract cargo. We directly employ approximately 200 people with mid to upper level incomes. We are a proud company providing jobs in a very tough economy!

Our business, and many other businesses in the area are dependent on bringing in massive tonnage of paper pulp products on both domestic and ocean going ships at a very competitive price, and ships provide that. We really could not be successful if we had to move our cargos any other way. Neither could the paper mills, foundries, and manufacturers that we service.

Because we have a facility in Menominee Michigan and experienced what happened there, I am especially concerned about the proposed legislation for Wisconsin. Recently, the State of Michigan enacted Public Act 33, which is all most identical to SB 119. I cannot begin to tell you the amount of uncertainty that this new law in Michigan has created for our company, the ships that service our

facilities, and the Wisconsin paper mills, foundries, and other manufacturers for who depend on us shipping product for them.

Our Menominee Michigan facility had many customers, shippers, and our own employees very concerned about whether they would be able to ship into Menominee this year. Had it not been for the one year moratorium on Michigan's law in 2007, it is frightening to think of the devastating effect this could have had on not only our business, but those Paper Mills and other large employers that we service. At least we were able to offer them a Wisconsin alternative this year.

Furthermore, we believe that Wisconsin, like Michigan sets a dangerous precedent for other states whose economies, are inextricably linked to worldwide trade via the Seaway Great Lakes transportation system. Regulating on a state-by-state basis continues to create regulatory inconsistencies and makes it difficult for companies like ours to utilize our low cost transportation system for our customers, and the ultimate consumers.

Our company cannot simply create a modal transportation shift to rail or the highways, as the transportation cost increase would make us and our customers totally uncompetitive in the global marketplace.

Again, let me state that we are all very concerned about these Aquatic Nuisance Species. A big reason that I choose to live in Marinette is the marvelous fishery that is available literally in my back yard. It is a resource that I personally cherish. But having each state create their own rules and regulations that may not even solve the problem, and creates other problems for the economy of our state, only sends the wrong message to our customers- and lets not forget, ships are not responsible for every specie, not even one third from most estimates. How do we stop the others from coming in?

Instead, I would like to say today that we should all work together in putting pressure on our federal lawmakers in Washington to take care of this once and for all. We need one national set of rules and regulations, as our ships do not stop at state borders. Just like trucks, our shipping system needs to be open from state to state.

Thank You

## (Federation Letterhead)

May 21, d2007

Senate Committee of Environment and Natural Resources  
Chairman, Senator Mark Miller and Committee Members:

Subject: Senate Bill 119, Ballast Water Management on Our Great Lakes.

This Federation, representing 13 Great Lakes Sport Fishing Clubs comprising some 3,500 members, has elected to take a position of full support for Senate Bill 119, concerning Ballast Water Management, Appropriation, and Providing Penalty for violations in all Wisconsin waters.

From the time that our Great Lakes were opened to the Atlantic via the St Lawrence system and the Llewellyn Canal of the mid 1800's, some 187 invasive species of marine life have entered our Great Lakes, and more than seventy five percent of those species were introduced within the past thirty years. The damage by invasive marine life to our Great Lakes has been enormous totaling in the billions of dollars, and the problem grows worse every year as foreign ships continue dumping contaminated bilge water containing new invasive marine species into our Great Lakes system. It is high time to put an end to the blatant abuse of our waterways by foreign shippers who are not willing to take the responsible and necessary measures to control their bilge water emissions, and if they will not comply then they must be barred from using our Wisconsin waters and ports completely.

Respectfully,

Charles C. Weier  
Pres. WF/GLSFC

copy: Thom Gulash, Sec.



## John Muir Chapter

Sierra Club - John Muir Chapter  
222 South Hamilton Street, Suite 1, Madison, Wisconsin 53703-3201  
Telephone: (608) 256-0565 Fax: (608) 256-4562  
E-mail: john.muir.chapter@sierraclub.org Website: wisconsin.sierraclub.org

### **Support SB-119, Great Lakes Ballast Water Discharges Before the Senate Environment and Natural Resources Committee Testimony by Caryl Terrell, Sierra Club - John Muir Chapter May 23, 2007**

Thank you for the opportunity to speak on the issue of aquatic invasives in the Great Lakes. The Sierra Club is in strong support of SB-119, a bill to regulate the discharge of untreated ballast water into the Great Lakes.

*ADD on page 2 lines 15-16 "enters Wisconsin waters or port"*

Invasive species have been devastating to our state and our region. They have changed the Great Lakes—and our use and enjoyment of them—forever.

- We currently pay a minimum of \$200-\$500 million dollars per year in damage and control costs from the 180 aquatic invasive species that have entered the Great Lakes.
- A new invasive species is discovered every 28 weeks on average, and each has the potential to damage native fish populations, disrupt the food chain, and impair our enjoyment of the Great Lakes.
- For example, zebra and quagga mussel shells pile up on our beaches, making it harder to enjoy a simple walk on the sand.
- The sea lamprey virtually wiped out the lake trout—the top native predator and sport fish in the Great Lakes.
- Zebra and quagga mussels may finish the job. They are such efficient filter feeders that, as their population has exploded over the past ten years, scientists have measured a 94% decline in the population of *Diporeia*—a small shrimp-like organism that is the base of the Lake Michigan food chain. With the disappearance of *Diporeia*, there are fewer forage fish for salmon, lake trout and other important sport fish to eat.
- The latest threat—VHS, or Viral Hemorrhagic Septicemia—is responsible for massive fish kills in Lake Erie and has now been found in the Lake Winnebago system, forcing us to issue emergency rules to try to contain its spread. However, it will certainly have a strong negative impact on Wisconsin's long tradition of sport fishing in inland lakes and the Great Lakes.
- Many of these species, like zebra mussels and now VHS, have spread from the Great Lakes to inland waters, causing havoc in all of Wisconsin's lakes.

We cannot afford to ignore this crisis. Some invasive species are a nuisance. Others, like VHS and the zebra and quagga mussels, pose a direct threat to Wisconsin's sport fishing tradition, which is worth more than \$2 billion to the state every year. These species threaten the region's \$5 billion worth of income that comes from sport fishing and recreational boating every year. More importantly, if we do not take action, the continued influx of invasive species guarantees that our children and grandchildren will

Remember to Support the Sierra Club through your workplace giving campaign!  
The John Muir Chapter is proud to be a member of.



never be able to experience and enjoy the Great Lakes—or our inland waters—as we know them today.

The vast majority of invasive species enter our region through the untreated ballast water of ocean-going ships. Most ocean-going ships are exempt from any kind of treatment or other controls on the discharge of their ballast water. The unintentional release of invasive species from these foreign vessels is killing our lakes and costing us a tremendous amount in both money and the ability to fish and get out on our waters.

We have manageable solutions to this problem. There are technologies that are capable of treating ballast water before its release. Alternatively, we can transfer foreign cargo to US “lakers”, which never leave the Great Lakes system, or to ground transport. Only 7% of the cargo tonnage moved on the Great Lakes is carried by ocean vessels. A recent study estimated an annual cost of \$55 million/year to ban ocean vessels from the Great Lakes entirely and transfer the cargo to US and Canadian vessels. This is a small price to pay in the context of the much more significant cost and damages caused by invasive species, and transferring cargo would actually increase US jobs, while still effectively serving our ports.

Congress has failed to act to require foreign vessels to stop the devastation of our Great Lakes. In lieu of federal action, Great Lakes states must act to protect our most important and valuable resource. Wisconsin should pass legislation preventing the discharge of contaminated ballast water into state waters. Michigan has already passed similar legislation, and other states are following suit.

The discovery of VHS in Wisconsin’s inland lakes is a clear signal that we can no longer afford to ignore the challenge of invasive species. Wisconsin must act now to protect its natural resources and sport fishing heritage. Every day that we wait, this problem will only get worse, and the solutions more costly. Please protect our heritage and way of life—act now to pass legislation that will prevent the discharge of more polluted ballast water into Wisconsin’s waters.

The Sierra Club urges you to vote in support of SB 119 to control invasive aquatic species in the Great Lakes and to recommend adoption to the full Senate. Thank you for considering our testimony.

# SEAWAY GREAT LAKES TRADE ASSOCIATION

JOHN JAMIAN  
PRESIDENT

248.593.5693 OFFICE  
202.580.5139 MOBILE

Thank you Mr. Chairman and members of this committee.

My name is John Jamian and I currently serve as the President of the Seaway Great Lakes Trade Association, an association whose membership represents a diverse group of organizations from shipping, manufacturing, ports, grain and labor and who benefit from the St. Lawrence Seaway and Great Lakes transportation system.

As the former Deputy and Acting Administrator of the U.S. Department of Transportation's Maritime Administration, former Executive Director of the Detroit Wayne County Port Authority and a former State Representative in the Michigan Legislature, I have been involved with our Great Lakes and Seaway transportation system for well over 18 years.

I wanted to talk to you today with regards to SB 119 and its potential impact on our local, regional, state and national economy. First, I would like to mention that we completely support cleaning up and dealing with the Aquatic Nuisance Species problem on the Great Lakes.

Our membership is keenly aware of the sensitivity of this issue and the need to find proper treatment technology. At risk of repeating what others have said or may say, and coming from my federal maritime background, this is a problem that exist in just about all of our nations coastal areas. Some of these ANS problems have arrived by ships and many have arrived through different vectors-including swimming on their own.

Our problem is that, as a country, we need to have a national treatment standard that applies uniformly across our nation. This is the responsibility of the US Coast Guard and they are aggressively working on establishing that standard. In sharing our frustration with this committee, it makes no sense to try and regulate this issue on a state-by-state basis. If each of our eight Great Lakes states independently moves to regulate ballast water treatment, what we would ultimately have is a patchwork of inconsistent rules, regulations and fees that would only serve to drive business away from our region. (That is why we decided to challenge the Michigan law)

Our ship owners most likely would not install equipment that has not been certified by the US Coast Guard and may not be acceptable in other states or countries. This in turn could create a modal shift from our seaways to the highways and I'm fairly certain, we do not wish to have another 40, 000 trucks on our already over congested surface transportation system. Not to mention a very large increase in heavy air emissions.

Since I come from the State of Michigan, please allow me to share a few thoughts about the impact of our law, PA 33. There are those in Michigan that trumpet the fact that this new law solves the problem. In fact it does anything but solve the problem. How does making a ship owner file for a permit and paying a fee solve the problem of ANS? The ships can still come to Michigan and so can Aquatic Nuisance Species. There is no sign at the boarder saying ANS not allowed!

But what has happened, is that global companies trading in and out of Michigan have heard about this legislation and its problems, and now possibly are thinking of other places to

import or export their products. On top of that, we have various groups making statements that we need to shut down the seaway to ocean ships.

Many of our global shippers know that the ultimate solution will be one that is led by the federal government, and shutting down our waterway only places us regionally in a very compromised economic position.

This in turn could have serious consequences with jobs at ports such as Superior, Green Bay or Milwaukee.

With regard to waterborne transportation, Michigan and Wisconsin are ranked high in the nation, indicating that shipping plays a critical role in our economy.

For both Michigan's and Wisconsin's economy to prosper, we have to have a functional and efficient multi modal transportation system. Quality of life begins with a job. Arbitrarily closing our ports to trade will not attract new businesses to our state or foster economic development.

While Michigan and possibly Wisconsin act to chase the shipping industry away, adjacent states have taken no similar action. They eagerly await the movement of commerce and jobs from our states to their jurisdictions.

Thank You.

John Jamian  
President





# ALLIANCE FOR THE GREAT LAKES

ENSURING A LIVING RESOURCE FOR ALL GENERATIONS

**Testimony of Joel Brammeier, Associate Director for Policy**

**SB 119**

**Senate Committee on Environment and Natural Resources**

**May 23, 2007**

## **Introduction**

Good morning Chairman Miller and members of the committee. Thank you to Senators Wirth and Cowles for bringing this issue to the attention of the committee and for the opportunity to testify. My name is Joel Brammeier and I serve as Associate Director for Policy for the Alliance for the Great Lakes – the oldest regional Great Lakes citizen organization, with offices in Chicago, Michigan and Milwaukee, Wisconsin.

My message today is simple: the state of Wisconsin cannot afford to wait another day before stopping discharges of contaminated ballast water from destroying our outdoor way of life.

## **This Problem Is Far From Solved**

Let me first put to rest any contention that this problem is under control. In the last year, a series of on-the-ground failures illustrates precisely the opposite. Invasive species continue to flood into Wisconsin waters. The bloody red shrimp has been found in multiple locations and is likely spread throughout the Great Lakes. New Zealand mudsnails have now spread to Superior Harbor. All the while, viral hemorrhagic septicemia, mutated into a form that kills a variety of Great Lakes fish, is rapidly spreading throughout the region, threatening Wisconsin's bountiful inland waters. All of these species were or may have been brought here in ballast tanks of oceangoing ships.

Any of these invasions should be enough to set off alarm bells. Like a burglar, each of these invaders breaks the glass and ransacks your house. But unlike a thief, these invaders put their feet

up when they're finished and wait for you to come home so they can show you firsthand what valuables you've lost. What's left behind is an ecosystem stripped of its value with no insurance to cover the damage.

### **Congress Has Refused To Act**

Since 2001, Congress has had four opportunities to pass comprehensive invasive species legislation that would have set national standards for ballast water discharge. Each time, it has failed – it's as simple as that. Repeated calls from the Great Lakes states have fallen on deaf ears across the United States. Despite this year's new Congress and a committee chair that has pledged to address the problem of ballast water, experience shows that resistance to federal protection from ballast water discharge has typically come from outside of the Great Lakes region. Putting all of our eggs in Congress's basket now is asking for those eggs to hatch into new invaders.

### **Wisconsin Should Act Decisively Now**

The Great Lakes states have clear authority to protect their aquatic resources from harm and to regulate discharges of water contaminated with biological pollution. Moreover, states like Wisconsin have an obligation to their citizens to do so - an obligation that Wisconsin has taken seriously since its founding. SB 119 and its companion bill AB 86 are not only a sensible approach to protecting the environment and economy of the entire state, but is the only way the state of Wisconsin can fulfill its conservation obligations.

Rest assured, Wisconsin does not stand alone in this effort. As we reported in the Alliance's most recent newsletter, Minnesota and New York have ballast water control legislation pending, while other states are poised to introduce similar measures. Michigan has a law on the books, and I can assure you that the citizens and conservation community of the Great Lakes is ready to stand behind the states' rights to protect their waters from harm. I encourage the state of Wisconsin to exercise that right decisively and act now.

Thank you for your time and I'm happy to answer any questions you may have.



## ROBERT W. WIRCH

STATE SENATOR TWENTY-SECOND DISTRICT

May 23, 2007

To: Senate Committee on Environment and Natural Resources

From: Senator Bob Wirsch

Thank you Chairman Miller for holding a hearing on Senate Bill 119.

The Federal Government has failed to take action on this important issue, and Wisconsin can not continue to wait to protect our waters and fisheries from unregulated discharged ballast water.

At least 162 aquatic invasive species have been identified in the Great Lakes, and it is estimated that an additional new non-native species is introduced into the waterway every eight months. Recently VHS has been found in Lake Winnebago, and there is an assumption that it is in Lake Michigan also.

Invasive species will not only impact our waters and fisheries, but also have the potential to make a tremendous economic impact on our state. There are many costs in dealing with invasive species, but there are also serious concerns regarding the permanent long range impact invasive species will have on our charter fishing industry and tourism.

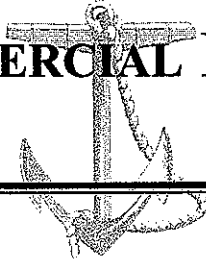
I have heard concerns from the shipping industry regarding the potential impact Senate Bill 119 will have Wisconsin ports. If we consider the cost benefit analysis, failing to take action will result in an even greater impact on the environment, industry and tourism.

Once again, thank you for holding a hearing on Senate Bill 119.

# WISCONSIN COMMERCIAL PORTS ASSOCIATION

2561 S. Broadway, Green Bay WI 54304

Phone: (920) 492-4950 Fax: (920) 492-4957



Dean R. Haen  
President  
Port of Green Bay

Bill Handlos  
Vice-President  
Port of Manitowoc

Eric Reinelt  
Secretary/Treasurer  
Port of Milwaukee

Port of LaCrosse

Port of Marinette

Port of Duluth/Superior

Port of Washburn

Port of Sturgeon Bay

Port of Northport

Port of Bayfield

Port of Prairie Du Chein

Port of Sheboygan

## Testimony of Dean Haen

### **Port Manager, Port of Green Bay & President, WI Commercial Ports Association Senate Bill 119 Committee Hearing - May 23, 2007**

Good afternoon. I am Dean Haen Port Manager for the Port of Green Bay and President of the Wisconsin Commercial Ports Association (WCPA). WCPA is a trade association representing the commercial ports of WI, their terminal operators and associated marine transportation businesses. Wisconsin has ports in Bayfield, Washburn, Ashland, Washington Island, Sturgeon Bay and Port Washington. Wisconsin has diversified cargo ports in Marinette, Manitowoc and Sheboygan. And Wisconsin has gateway ports in Superior, LaCrosse, Prairie Du Chien, Green Bay and Milwaukee.

The first explorers to this territory that eventually became the State of Wisconsin arrived here by water. Waterborne transportation was so important to the development of the badger state that the image of a sailor appears on Wisconsin's Great Seal. Today, waterborne transportation continues to be a critical engine that drives our economy and is one of the very important transportation modes used by Wisconsin industries to compete in the global marketplace.

Today, Wisconsin has 14 commercial ports located along Lake Superior, Lake Michigan and the Mississippi River. Wisconsin's three borders allow our manufacturers the competitive advantages of access to world markets. The ports of Wisconsin transport over 44 million metric tons of cargo annually. The cargo consists of coal, grain, cement, steel, iron ore, liquid asphalt, limestone, pig iron, salt, fuel oil, wood pulp, and many other important commodities that are valued at over \$7 billion annually. Wisconsin's Ports support over 11,300 jobs and annually generate over \$1.3 billion in economic output and nearly \$377 million in personal income from wages, salaries and proprietor incomes.

Wisconsin ports are a critical link in our state's transportation system and serve as multi-modal distribution centers linking waterborne vessels with an extensive network of highways and railroads. Waterborne transportation provides Wisconsin manufacturers a cost-effective way to receive raw materials from suppliers and to ship high valued finished goods to customers. The commodities moved by water are essential to our economy and are used by our state's power plants, paper mills, manufacturers, farmers, government, and by each of us as individual consumers.

In fact, shipping generates the least amount of emissions pollution, consumes the least amount of fuel per ton mile, causes the least number of industry-related accidents and is responsible for less urban congestion, noise or social disruption. During a time of rising truck and rail rates and a shortage of rail cars, waterborne transportation keeps Wisconsin's economy competitive and moving forward.

The shipping industry fully realizes the need to eliminate the introduction of invasive species. It is estimated that 30% of the introduction of invasive species has come from the shipping industry and the remaining 70% has been introduced by aqua farming, the aquarium business and other vectors of introduction. All possible vectors of introduction need to be addressed across the country. The shipping industry supports federal legislation to regulate interstate and international commerce. Wisconsin legislation will only hurt Wisconsin. Regulation by individual states will result in a patchwork of differing regulations. The only viable solution to this problem is federal legislation to create an even playing field for all States of the U.S. Thank you.